

# NWS and Price Signal Proposals

- Proposal: Examine Options that would help send efficient price signals to transmission customers.
- Objective: Reduce peak demand through efficient pricing or incentives
- BPA Proposal: We are pursuing NWS pilot programs and other initiatives for all Non Wires Solutions.

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- Proposal: Offer flexible products that could help defer transmission investments
- Objective: More efficient use of existing system could help avoid new Tx investment
- BPA Proposal: Exploring in other forums, such as Business Practice Forum. Need to scope IT requirements and need for OATT changes, etc. Conditional Firm is product of interest.

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- Proposal: Raise Unauthorized Increase Charge
- Objective: Discourage over-use of transmission system
- BPA Proposal: Current charge consistent with FERC direction. Retain as is.

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- Proposal: Implement tiered rates for NT (load service.)
- Objective: Provide price signals to encourage demand reductions and investments in alternatives to Tx
- BPA Proposal: “Or Test” provides price signals for new generation and load. Do not pursue tiering for load growth because of contentious allocation process and increased implementation burden.

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- Proposal: Implement Zonal Pricing
- Objective: Provide price signals to reflect costs of congestion that would otherwise require new Tx investments
- BPA Proposal: BPA now closely examining Redispatch and Constraint Schedule Management.

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- Proposal: Establish Bulletin Board for Secondary Tx market
- Objective: Provide for more efficient market to enable avoiding more Tx purchases
- BPA Proposal: Do not pursue now. Higher costs to implement and administer.

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- Objective: Discourage over-forecasting to establish higher NT rights
- BPA Proposal: Addressing in other forums; for example, NW Power Pool sponsoring load forecasting workshops to address these and related issues. Charge would require tariff change and probably not practical to implement.
- Proposal: Charge customers for inaccurate load forecasts